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SUBJECT: BELARUS: REGIME SIGNS AGREEMENT WITH IMF; OPPOSITION CALLS
FOR IFI SUPPORT

REF: MINSK 260

¶1. (SBU) We have learned from a NATO embassy that the GOB and IMF mission signed an agreement for USD 2.5 billion late December 19. According to the same source, the GOB has not/not worked to accelerate IMF board approval, with the result that the IMF board is not expected to deliberate on the agreement until the week of January 5.

¶2. (SBU) In the meantime, United Democratic Forces (UDF) leader and United Civic Party chair Anatoliy Lebedko met with Charge December 19 to press for approval of IFI loans to the GOB. Himself a victim of the dictatorship's oppression over the years -- including physical attack -- Lebedko argued that prudent economic help will allow the democratic opposition to consolidate its position with both the regime and the general public. He was extremely concerned that continuation of financial dependence exclusively on Russia would damage Belarus' sovereignty and complicate any future efforts at economic reform. Lebedko told Charge that the UDF would soon be offering the GOB the option of mutual efforts to deal with the consequences of the global economic crisis.

Comment

¶3. (SBU) Post understands the statutory and legislative constraints on USG support for any IFI assistance to Belarus, and is also very aware of the unpredictability of Lukashenka's public pronouncements and private actions. Nevertheless, the small list of the regime's positive political steps continues to grow -- the NGO "For Freedom" was registered last week -- and a U.S. abstention in the IMF would emphasize to reform-minded Belarusian elements (including the democratic opposition) that the USG is closely engaged in helping them move forward.

MOORE